PORTLAND BUSINESS JOURNAL

STRATEGIES

Oregon Ballet Theatre stays on pointe

AFTER NEARLY SINKING, OBT SOARS INTO 2016 WITH MONEY IN THE BANK

BY PETE DANKO Contributing writer

s it does every December and like most ballet companies around the country – Oregon Ballet Theatre filled its coffers with "Nutcracker" largess. A two-week run in 2014 at the Keller Auditorium hauled in \$1.7 million, more than half the company's ticket revenue for the season, and Executive Director Dennis Buehler said sales for this year's production were "extremely strong."

But as far as its long-term future goes, "Nutcracker" gets second billing for OBT. The company, which nearly had to shut down in 2009, is closing on the sale of its longtime Buckman home base, allowing it to wipe out \$1.8 million in debt, and moving into a leased South Waterfront headquarters. At the same time, it's readying a branch school in West Linn that will open in the New Year.

These moves are part of a rebuilding that began in earnest in July 2013 with the hiring of Artistic Director Kevin Irving. A year later, Buehler arrived from Milwaukee and Irving re-upped for three more years. Together the two are aiming to secure OBT's future by burrowing the 26-year-old company deeper into the fabric of the region. Leveraging the sale of the 818 SE 6th Ave. property is a key part of the strategy, but in the end, Buehler said, "everything is driven by programming."

There's a long way to go in fulfilling their vision, Irving said. At the very least, however, OBT now has "more breathing room and can get ahead of the cycle" of ups and down that nearly doomed it during the Great Recession and that left it on unsteady footing even after a furious \$850,000 fundraising campaign kept the lights on.

After the company's annual budget fell from \$6 million to \$5 million, it began to grow only to have to cut again in 2012. Christopher Stowell, with no appetite for downsizing, resigned in November 2012 after nine years as artistic director. He wasn't the only one to go.

When Irving accepted an offer to come to Portland from New York, the company had no executive director, marketing director, development director, school director or school administrator, he said. And dominoes were still falling.

"I was literally in line to board the plane to come out here to start work," he recalled. "I had just left my partner and was getting on the plane and I got the news that the box office manager had just resigned. I was like, 'Oh, man, what am I stepping into."

In the two-and-a-half years since, he said, "we've cleaned up a lot of the mess and some really big intractable problems that were weighing us down.'

Back from the brink

The roaring Portland housing market helped make that happen: Mill Creek Residential Trust will raze OBT's current



CATHY CHENEY

Oregon Ballet Theatre Executive Director Dennis Buehler (left) and Artistic Director Kevin Irving stand inside what will become the company's new South Wherfront headquarters, which will feature three studios instead of the current two.

▶ CLOSER LOOK

The company: Oregon Ballet Peatre What it does: Presents classical and contemporary ballet per parances; trains dancers through the School of Oregon Ballet Theatre

Founded: 1989

Senior executives: Kevin Irving, artistic director Dennis Buehler, executive director

Employees 50 to 200 (varies

seasonally Annual evenue: \$6.2 million (2014-

be the and transform the block bound by Southeast Sixth and Seventh Avenues and Southeast Morrison and Belmont streets into "Modera Belmont," a six-story development with 200 apartments and 11,500 square feet of retail space.

The sale price wasn't revealed, but even after using a portion of the proceeds to pay off debts and complete the South Waterfront buildout (the lease on the space runs seven years, with an option out to 10 years), OBT will set aside "significant" seed money for an eventual permanent home, Buehler said.

The sale fits OBT's strategy for another reason: The South Waterfront location, next to the Old Spaghetti Factory. will have three studios instead of the cur-

"This helps us with our business prospects," Irving said. "We were hemmed in here. We'll be able to offer more classes in the school, which translates to more income.'

The school generated \$660,000 in the fiscal year ended June 30, 2015, with 449 students enrolled. Buehler said enrollment is expected to reach nearly 600 this fiscal year.

Some of those students will study in West Linn. A school in the 'burbs was always part of the rebuilding plan, though not until later next year, after the South Waterfront move was completed. But a shuttered dance studio became available this year, so OBT pounced.

"It gets us into the community where we need to be," appealing to families with small children in particular, Buehler said. "And it does it in a really economical way. It was an opportunity we decided we had to seize.'

Putting people in the seats

The newly formed junior company OBT 2 is another tool for community outreach that could help build support. Still, those efforts will only go so far absent attractive programming.

"If your programming is compelling," Buehler said, "that's going to drive your ticket sales and bring higher revenue."

OBT's tax filing for the 2014-15 fiscal year hasn't been made public yet, but Buehler said attendance rose from 55,000 to 69,500, a 25 percent increase, and revenue from ticket sales grew 33 percent to \$3 million.

In a city where modern and contemporary dance thrive, Irving's task is to find the right mix for a big company that has its share of classical fans.

"I'm trying to creatively construct the arc of our programming to reflect the demand in the city, on one hand giving them exactly what they want and on the other hand offering something that we think will speak to desires that haven't yet been formed," Irving said.

The successful 2014-15 season was highlighted by collaboration with the jazz orchestra Pink Martini and a new full-length production, "Cinderella," with live orchestra. Neither was easy to pull off, Irving said.

"There was a sense that we could not afford to engage the orchestra for "Cinderella," and that we could not afford to bring Pink Martini to the stage," he said. But Irving felt the risk - well-managed and thought out, he emphasized - was

"A lot of players and a lot of people had to come to the table in order to make that happen," he said. "The results speak for themselves. Right now everybody looks back at that like, "Oh, yeah, that was a no-brainer.'"

The Portland dance writer Martha Ullman West, who has covered OBT since its founding in 1989, said that under Irving, "Some of the programming is extremely interesting. I would give as an example the programming of Nicolo Fonte's evening-length "Beautiful Decay" in which two Portland modern dancers will be featured. That is relating to the modern and contemporary dance community in this town in a very positive way."

That comes in April, after OBT founder James Canfield's "Romeo & Juliet" in late February and early March - something new and something familiar for an audience that OBT hopes will grow with it.